

ARTICLE APPEARED
ON PAGE 37

NEW YORK TIMES
13 FEBRUARY 1983

Texan Linked to Libya Arrested on Tax Charge

DENVER, Feb. 12 (AP) — A man convicted of assaulting a Libyan dissident in Colorado has been arrested by United States marshals in Texas in cases involving Federal tax evasion and the firebombing of a car in Canada.

Eugene A. Tafoya, 48 years old, of El Paso, was taken into custody after he and his wife, Betty, were indicted Thursday by a Federal grand jury in Austin, Tex., on two counts of making misstatements on income tax returns in 1980 and 1981.

Mr. Tafoya was being held in a total of \$1.5 million bond. His wife was released Friday on \$10,000 bond.

In Denver, an assistant United States attorney, Gerry Rafferty, declined to comment on the status of a grand jury investigation into possible firearms violations stemming from the shooting there of the Libyan, Faisal Zagallai. Prosecutors contended that Mr. Tafoya was a hired by people working for the Libyan leader, Col. Muammar el-Qaddafi, in the assault on Mr. Zagallai in October 1980. Mr. Tafoya was convicted of a misdemeanor in the assault, a verdict he has appealed.

Federal law-enforcement sources in Washington have said the firearms investigation in Colorado involves both Mr. Tafoya and a former agent of the Central Intelligence Agency, Edwin P. Wilson, who was convicted a week ago of smuggling arms to Libya.

Extradition proceedings by the Canadian authorities have been delayed until March 3, according to law-enforcement sources. The Canadian warrant charges Mr. Tafoya with blowing up a car in 1979 that belonged to a man who sold several million dollars worth of surveillance equipment to Libya.